

March 8, 1984

LB 341A

SENATOR BEUTLER: Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker and members of the body, Senator Martin Kahle alluded to the fact that some of those members in the body who had supported a resolution, a budget resolution, that would have locked this body into a spending pattern of \$803 million for the continuation budget were being inconsistent in now supporting an A bill that would cost the state an additional \$50 million. I want to respond to that. The resolution that was presented to this body said specifically that we will not spend more than \$803 million in continuation funding and it went on to say that to the extent that we spent more money than the \$803 million, that would be done for property tax relief. Now the body did not support that particular budget resolution incidentally. One of the reasons that I personally have been concerned this year in particular about the level of our continuation funding is because I have wanted to make certain that we would have some latitude in our overall appropriations so that we could affect property tax relief. I guess in terms of priorities, and you know a person has to make some priority decisions, I really feel that this is a watershed year for us on property tax relief and I feel that for two distinct reasons. The first reason is, there are people in our society who are circulating two initiative petitions, one to place a property tax lid on local subdivisions, and the other to place an overall appropriational lid on the state. If both provisions were to succeed, we would discover that government in Nebraska would be reduced to shambles. It would be criminal in our society for both initiatives to succeed, absolutely would be, but they are out there and those particular provisions will appeal to a number of nervous, worried and distressed property taxpayers. The second reason that I think the property tax relief is of critical importance this year deals with the Nebraska Supreme Court decision in the Kearney Holiday Inn case. There are a number of ranchland and farmland owners that have become extraordinarily worried that they will discover their taxes going up dramatically by virtue of that decision and one of their natural instincts will be to support the Constitution initiatives. So it has